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## SECOND SUBSTITUTE HOUSE BILL 1275

State of Washington 55th Legislature 1997 Regular Session

By House Committee on Finance (originally sponsored by Representatives Mastin, Mitchell, Radcliff, Morris, Mason, Schoesler, Keiser, Dickerson, Wood, Kessler, Scott, Blalock, Thompson, Costa, Kenney and Conway)

Read first time 03/10/97.

- 1 AN ACT Relating to public utility tax credits for weatherization
- 2 and energy assistance programs; adding a new section to chapter 82.16
- 3 RCW; providing an effective date; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 82.16 RCW 6 to read as follows:
- 7 (1) Unless the context clearly requires otherwise, the definitions
- 8 in this subsection (1) apply throughout this section.
- 9 (a) "Qualifying grant" means a grant provided directly or through
- 10 the department of community, trade, and economic development, to an
- 11 organization that has a contractual agreement with the department of
- 12 community, trade, and economic development to provide low-income
- 13 energy-assistance programs for a specified service area.
- 14 (b) "Low-income energy-assistance programs" means energy assistance
- 15 programs for low-income households as currently defined by the federal
- 16 department of health and human services.
- 17 (2) Subject to the limits set forth in this subsection (2), a light
- 18 and power business or gas distribution business may be allowed a
- 19 credit, against the tax imposed under this chapter, for qualifying

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- l grants made by the business. The light and power business or gas
- 2 distribution business may receive the credit for a qualifying grant
- 3 during the year to the extent all qualifying grants for a specified
- 4 service area do not exceed five percent of the amount of moneys
- 5 allotted to nonprofit or governmental organizations within the
- 6 specified service area in federal fiscal year 1995 under the United
- 7 States department of health and human services low-income home energy
- 8 assistance program. The local organization shall apply qualifying
- 9 grants to the low-income energy related program that best meets a
- 10 community's needs as determined by the local organization.
- 11 (3) The credit allowed under this section is limited to the amount
- 12 of tax imposed by this chapter. Any unused excess credit in a
- 13 reporting period may be carried forward to future reporting periods for
- 14 a maximum of one year.
- 15 (4)(a) It is the intent of this section that qualifying grants used
- 16 for low-income energy assistance for utility customers either be
- 17 transferred by the utility or local organization to another utility, in
- 18 the case of an account closure, or be returned to the local
- 19 organization to be used for low-income energy-assistance programs.
- 20 Utilities receiving funds from qualifying grants under this section
- 21 should, to the extent reasonable and cost-effective, attempt to fulfill
- 22 this subsection.
- 23 (b) Local organizations receiving qualifying grants that are used
- 24 for low-income energy assistance shall notify recipients of these funds
- 25 that recipients do not have the right to retain energy assistance funds
- 26 received as part of a qualifying grant under this section in the case
- 27 of an account closure.
- 28 <u>NEW SECTION.</u> **Sec. 2.** This act is necessary for the immediate
- 29 preservation of the public peace, health, or safety, or support of the
- 30 state government and its existing public institutions, and takes effect
- 31 July 1, 1997.

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